

KPMG question: With regard to the office and retail developments on Temple Island, any additional thoughts on the nature of development and evidence of likely level of displacement within Bristol and West of England.

Comments from CBRE on fit with other developments:

*Whilst there are currently 4 / 5 other developments currently coming forward in the city, Temple Island is at a very early stage, so by the time construction has commenced, we may have entered another property market cycle with new and / or existing development schemes still waiting to be brought forward.*

Comments from BCC in response:

CBRE identify a number of development opportunities in Bristol which currently exist and are relevant to this scheme, in the sense that their coming forward could be influenced or affected by it. First occupation of space in the alternative development scenario will not take place until 2022. It is reasonable to assume that at least some of the 4 to 5 other development opportunities currently existing will have come forward by then. This leaves say 2 to 3 developments that could be affected in some way by the new space at Temple Island coming on stream. It is reasonable to assume, therefore, that there may be some displacement effect.

That said, the development at Temple Island will have characteristics unique to Bristol – including proximity to the new Temple Quarter Campus, with its business school and digital innovation hub, plus Temple Meads Station nearby – and it is expected that the new development may well have a significant pull effect on inward investors. The new university campus may well have a catalytic effect both on inward investment and indigenous business growth, creating new demand. In addition, the scale and pace of development will build its own momentum. This may have a multiplier effect on economic and business growth, and a consequent catalytic effect on development both at Temple Island and across Bristol and the West of England.

These factors may act to mitigate any potential displacement. Further analysis – particularly looking at both the quantum of space likely to come forward from new development opportunities and the precise location of these opportunities too – is needed if a robust analysis of potential displacement is to be undertaken.